IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITON NO.205 OF 2007

3 Global Services Pvt. Ltd. ..Petitioner.

V/s.

The Income-tax Officer & Ors. ..Respondents.

Mr.Soli Dastur, senior counsel with R. Murlidhar i/b. M/s. Rajesh Shah & Co. for petitioner.

Mr.A.N.Kotangale for respondents.

CORAM : DR. S.RADHAKRISHNAN AND J.P.DEVADHAR, JJ.

DATED : 6TH FEBRUARY, 2007.

P.C. :-

Heard learned senior counsel for the petitioner and learned counsel for the respondents. Rule, returnable forthwith. The learned counsel for the respondents waives service. By consent taken up for final hearing.

2. By this petition, the petitioner is challenging the order dated 22nd January, 2007 passed by the Income tax officer with regard to the application for staying the demand of assessment pertaining to the assessment year 2004-05. There is no dispute with regard to the demand that the petitioner has already filed an appeal before the Commissioner of

Income Tax (Appeals) and has also preferred an application for stay before the Commissioner of Income Tax (Admn). The learned counsel for the respondents would not dispute that while passing the impugned order dated 22nd January, 2007 the Income Tax Officer has not followed the guidelines laid down in the Judgment of this Court in the case of **K.E.C. International Ltd. V/s. B.R. Balakrishnan & Ors.** reported in **251 I.T.R. 158**. In the aforesaid facts and circumstances of the case, the impugned order dated 22nd January, 2007 is quashed and set aside and the Income Tax Officer is at liberty to pass an appropriate order in the light of the guidelines laid down in the aforesaid Judgment. However, we make it clear that the Income Tax Officer shall not adopt any coercive methods till the application which is pending before the Commissioner of Income Tax (Adm.) is disposed of and if it is adverse to the petitioner, the Income Tax Officer shall not proceed to adopt any coercive steps for a period of four weeks after the service of the said order on the petitioner.

3. Rule is made absolute in the above terms and the petition stands disposed of.

(DR.S.RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)